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Ireland.

15th of December 2017

RE: Enduring Connection Policy Stage 1 (ECP-1)

By e-mail to gsadowska@cer.ie

Dear Gosia,

On behalf of the members of the Electricity Association of Ireland (EAI), please see below our response to CRU's proposed decision on Stage 1 of the enduring policy in relation to electricity connections in Ireland (ECP-1).

High Level Remarks

- EAI is committed to the decarbonisation of electricity generation by 2050 at the latest.
- EAI/PWC have outlined a roadmap, based on a least cost objective function, to meet national and European policy objectives that could deliver a 92% reduction in energy-related carbon emissions from the Irish economy by 2050 relative to 1990¹. The electrification of heating and transport makes a significant contribution to this outcome.
- The roadmap also foresees both an increase in capacity and a diversification of the electricity generation portfolio in order to meet increasing demand and deliver on EU and National policy objectives.
- The enduring approach concerning access to both the transmission and distribution networks is a key issue for policy makers in the context of the critical Irish and UK governments' policy objective to abate carbon emissions.
- To ensure a level playing field across the all-island electricity market, the alignment of connection policy across the island should be pursued.

¹ <https://www.eaireland.com/wp-content/uploads/2017/06/Transitioning-to-a-Low-Carbon-Energy-System-PwC.pdf>

ECP-1

- EAI broadly welcomes the CRU's proposed decision on the connection policy to apply in 2018 as the first stage in the reform of the existing approach as we move towards an enduring policy over the course of 2018 and beyond.
- We share CRU's view that the existing approach is 'not fit for purpose' and in need of urgent reform.
- The existing approach has resulted in a high volume of applications relative to system need, and significant delays in both processing and connecting applications.
- CRU's proposed decision aims to progress 1GW of connections in 2018. EAI recommends that 1GW should be considered a minimum target for new connections next year.
- EAI welcomes the proposal to prioritise applications according to the presence of valid planning permission and to move away from the existing approach whereby applications were processed in 'gates' according to the date on which the application was submitted. Notwithstanding that the planning process is by no means perfect, we view the proposal as a sensible means to progress applications.
- As is often the case, prioritisation within a priority group should be approached with caution.
- We further welcome the proposal to reserve a quantum of the 1GW for DS3 projects as a sensible approach to progressing connections and achieving policy objectives at the same time.

ECP

- The enduring connection policy will be developed further in 2018 to account for evolving EU and National policy objectives.
- EAI recommends that costs across both the market and system be optimised to the greatest extent possible.
- In this context, we propose that connection offers are reserved for applicants who have successfully cleared respective auctions for capacity, system services and renewable supports in addition to having achieved planning approval.

In conclusion, we welcome the proposed decision as a minimum level of ambition for new electricity connections next year and look forward to further consultation over the course of 2018 on the development of the enduring policy. We are available to meet with you to discuss this response further and please do not hesitate to contact us if you need further information.

Yours sincerely,



Stephen Douglas
Senior Policy Advisor
Electricity Association of Ireland(EAI).